BRITISH COLUMBIA

Ministry of Public Safety
and Solicitor General

Gaming Policy and Enforcement Branch

GUIDELINES

Applying for a Class A or Class B Gaming Event Licence

JUNE 2005

Know your limit, play within it.
For Help: 1-888-795-6111 or
www.bcresponsiblegambling.ca

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JUNE 2005 AMENDMENTS

CLARIFICATIONS

Section 3.2	• Included poker rides and cake walks as examples of ticket raffles
Section 3.3	• A series of gaming events authorized under a single licence can be held at only one location.
Section 3.4	• Split section 3.3 into two sections for better clarity.
Section 5.3	• Re-worded section to clarify the requirement for prize documentation to be included with a licence application.

REVISIONS

None

ADDED REQUIREMENTS

None

REDUCED REQUIREMENTS

None

105-06714/

1. INTRODUCTION

This document describes the process by which an eligible organization may acquire a licence to conduct and manage a gaming event in British Columbia.

Generally, for an activity to be considered gaming, the following three elements must be present:

- 'Consideration' usually means players must pay or exchange something of value to be eligible to participate;
- 'Prize' includes money or anything of value; and
- 'Chance' means the outcome is not pre-determined or determined solely by skill.

Gaming events conducted in British Columbia must be licensed by the Gaming Policy and Enforcement Branch (the Branch), which licenses eligible community organizations to conduct and manage gaming events in accordance with Section 207(1)(b) of the Criminal Code of Canada.

To conduct a gaming event without a licence is unlawful.

Please see section 8 of this document for information regarding eligibility of organizations.

2. ROLES AND RESPONSIBILITIES

2.1. What is the role of the Gaming Policy and Enforcement Branch?

The Branch regulates gaming in British Columbia and ensures the integrity and lawful conduct and management of gaming in the province.

This includes issuing gaming event licences to eligible organizations and ensuring licensees comply with the Criminal Code, British Columbia's Gaming Control Act (the Act) and Gaming Control Regulation, and the conditions of their licence.

The Assistant Deputy Minister and General Manager, hereafter referred to as the General Manager, is the head of the Branch and responsible, under the direction of the Minister, for the administration of the Act.

2.2. What is the role of the gaming event licensee?

To comply with the Criminal Code, the Act places responsibility on the licensee for the proper conduct and management of gaming events for which they are licensed. The licensee is responsible for understanding how the Act, regulations and conditions of their licence affect the operation of their gaming event.

Licensees must comply with:

- Criminal Code of Canada;
- British Columbia's Gaming Control Act and Gaming Control Regulation;
- All other applicable federal, provincial and municipal laws; and
- Relevant conditions, standard procedures, policies, procedures and orders issued by the Branch.

Under the conditions of a gaming event licence, a licensee must:

- Ensure the gaming event is conducted in accordance with the event's Standard Procedures;
- Disburse net gaming proceeds appropriately; and
- Be accountable for its gaming proceeds.

While the Board of the licensee is responsible for the conduct and management of the gaming event, a licensee that could generate more than $250,000 in gross revenue through its gaming event licence must also ensure:

- The person responsible for running the gaming event and the person responsible for gaming event finances are separate individuals; and
- Both of these individuals are registered with the Branch.

The Branch may also determine, upon review of an application, that other key individuals involved in the conduct and management of the gaming event need to be registered.

Any known or suspected criminal activity regarding the conduct, management and operation of a licensed gaming event, or use of net proceeds, must be reported to the Branch and local police immediately.

Failure to meet these requirements may result in suspension or revocation of a gaming event licence, refusal of future gaming event licences and/or denial of future access to gaming grants or funds.

2.3. What is the role of a gaming services provider?

Your organization may contract marketing and/or management services to assist with its gaming event, as long as the contractor is registered with the Branch as a gaming services provider. Refer to section 10.2 for additional information about contracting gaming services providers.

3. GAMING EVENT LICENCES

3.1. Are there different types of gaming event licences?

The two types of gaming event licences that may be issued to eligible organizations are:

- **Class A licence**, for a gaming event or series of gaming events that will generate more than $20,000 in gross revenue; and
- **Class B licence**, for a gaming event or series of gaming events that will generate $20,000 or less in gross revenue.

3.2. What types of gaming events can be conducted under a Class A or Class B gaming event licence?

Class A and B gaming event licences permit a licensee to conduct one of four types of gaming events. These are:

- **Ticket raffles** include regular raffles, 50/50 draws, meat draws, sports pools, sports player drafts, calendar raffles, cow pie bingos, rubber duck races, poker rides, cake walks, or other such schemes;
- **Independent bingos** are conducted and managed by the licensee in a non-commercial bingo hall. Organizations wanting to be affiliated with a commercial bingo hall in their community apply for a bingo affiliation certificate, not a gaming event licence;
- **Wheels of Fortune** are gaming events operated by the licensee at an approved community event; and
- **Social occasion casinos** are small casino-type events conducted and managed in conjunction with a social event (such as a dinner, dance or benefit) with attendance restricted to members of the gaming event licensee and their guests.

A licensee must have a separate licence for each type of gaming event it conducts. Before applying for a gaming event licence, an applicant must review the Standard Procedures for the applicable event to become familiar with the rules that must be followed.

3.3. For what length of time is a gaming event licence valid?

A licence may be issued for a period of up to 12 months for a series of similar gaming events which will be held at a single location.

For ticket raffles, not including 50/50 draws, tickets must be sold and all draws conducted within a four month period. Multiple ticket raffles may be authorized under a single licence, although ticket sales and draws for all the raffles must be completed within a 12 month timeframe.

3.4. Can more than one ticket raffle be conducted under a single licence?

For 50/50 draws, a single licence may be issued authorizing multiple draws or a series of draws over a period of time. For each draw, ticket sales and the draw must take place on a single day at a single location.

For a series of ticket raffles, not including 50/50 draws, to be approved under a single licence:

- Each raffle must be of the same type with similar selling periods, which cannot exceed four months;
- The price of tickets for each raffle cannot vary by more than $10. Where ticket prices vary by more than $10, additional licences may be required; and
- The number of tickets being offered for sale for each raffle must be similar.

A one-day licence may also be approved for multiple ticket raffles where the number of ticket being offered for sale will vary:

- All ticket sales and draws take place on the day for which the licence is issued.
- Each raffle must be of the same type;
- The price of tickets for each raffle cannot vary by more than $10. Where ticket prices vary by more than $10, additional licences may be required; and
- The number of tickets being offered for sale may vary.

3.5. How many gaming events can be conducted in a 12-month period?

There is no limit to the number of ticket raffles that may be conducted in a 12-month period.

Organizations are permitted to conduct up to 52 independent bingo events and 52 wheel of fortune events within a 12-month period.

For social occasion casinos, an organization may conduct no more than 12 events within a 12-month period.

3.6. Where can a gaming event be held?

Each type of gaming event has different requirements regarding the type of facility required, outlined in the applicable Standard Procedures. Applicants must indicate where their event will be held and the Branch will ensure the planned location is appropriate before it issues a licence.

3.7. Can minors participate in a gaming event, such as buying or selling raffle tickets?

Generally, a licensee must not allow minors to:

- Participate as a player or worker; or
- Be present at a gaming event.

Minors may be able to buy or sell raffle tickets under a Class B gaming event licence, or may be permitted to attend (but not play) independent bingo events, under certain conditions specified in the Gaming Control Regulation and as outlined in the Standard Procedures applicable to the gaming event. The Regulation and Standard Procedures are available on the Branch's website.

3.8. Can a gaming event be conducted where liquor is sold or consumed?

Yes, some gaming events may be conducted in an establishment licensed by the Liquor Control and Licensing Branch. In such instances, there are obligations that must be met by the liquor licensee. Please refer to http://www.pssg.gov.bc.ca/lclb/ for additional information.

3.9. Can a gaming event licence be cancelled, amended or transferred by the licensee?

Cancellation of, or amendments to, a gaming event licence will be considered if the gaming event has not commenced. Once a gaming event has commenced, an amendment cannot be considered. Cancellation of, or amendments to, a ticket raffle licence will only be considered for draws where ticket sales have not commenced.

To cancel or amend its licence, a licensee must submit a written request to the Branch. The request must be signed by two signing authorities, one of which must be an officer of the organization.

A gaming event licence may not be transferred, assigned, lent or borrowed.

3.10. Can the Gaming Policy and Enforcement Branch refuse to issue a gaming event licence, or suspend or cancel a gaming event licence?

Yes, the Branch may refuse to issue a gaming event licence or may cancel, suspend for a period of time, impose new conditions on, or vary existing conditions of, a licence.

The Branch may also issue a warning to a licensee or impose an administrative fine within prescribed limits.

Applications for a gaming event licence, direct access grant or bingo affiliation certificate will likely not be considered where an organization has previously had a licence suspended or cancelled by the Branch.

4. REVENUE FROM A GAMING EVENT

4.1. What is gross revenue?

Gross revenue is all monies generated through a gaming event, including total sales, G.S.T. recovery and interest income, before any prize costs or expenses are deducted.

4.2. How can gross revenue from a gaming event be expended?

Gross revenue may be used only for:

- A reasonable cost for prizes for the gaming event;
- Legitimate event-related expenses; and
- Eligible community programs and services (net gaming proceeds).

5. PRIZES

5.1. What prizes can be offered for winners of a licensed gaming event?

The licensee determines the value of the prizes it will offer to players participating in its gaming event. There is no minimum or maximum value required for prizes, which may be cash or merchandise.

Donated prizes are permissible and must be advertised at fair market value. An independent third party appraisal may be required if the prize is handcrafted, a collectible or an antique prize purchased by or donated to the applicant.

Cash alternatives are acceptable as prizes. Cash alternatives must equal the stated market value of the prize or the amount must be fully disclosed at the time of the application.

Liquor, live animals and prohibited or restricted firearms as defined in the Firearms Act (Canada), cannot be offered as prizes.

Prize costs are deducted from the gross revenue generated at a gaming event, but are not considered an expense of that event.

5.2. Must all prizes be awarded or all winnings paid?

Yes, the licensee must award all prizes and pay all winnings to the players in connection with the conduct and management of licensed gaming events.

Prizes and winnings must be distributed to players at each bingo (other than progressive and promotional prizes), social occasion casino or wheel of fortune event.

For ticket raffles, prizes must be distributed to the winning ticket holders as soon as practicable after the date of a ticket raffle draw. For single-day raffles or where the prize is calculated as a percentage of the value of the tickets sold (e.g., 50/50 draw), the draw must take place and the prize awarded at that day's gaming event.

5.3. Must prizes be identified or secured before a gaming event licence is issued?

A list of prizes and prize values for the gaming event must be provided with an application for a gaming licence. Applicants must also ensure prizes are secured and available for awarding before

submitting the application, other than for percentage based raffles, bingos, wheels of fortune or limited casinos. For these events, prizes are paid from the gross revenue generated at the gaming event and do not need to be secured beforehand.

Where the total fair market value of all prizes is $10,000 or more:

- A list of all prizes must be provided, detailing the fair market value of each prize, along with the cost to the applicant for each prize.
- An applicant must prove their ownership of the prizes or, for prizes not owned by the applicant, a bond or prize guarantee must be posted in a form satisfactory to the Branch. Funds in an organization's gaming account cannot be used to secure prizes; and
- An independent third party appraisal may be required for any prize that is handcrafted, a collectible or an antique prize purchased by or donated to the applicant.

6. EXPENSES

6.1. What are the eligible expenses related to a gaming event?

The licensee shall pay actual and reasonable expenses directly related to the conduct and management of a licensed gaming event. Receipts documenting each expense must be retained as part of the licensee's gaming records.

Expenses cannot exceed 25 per cent of the actual gross revenue, or 40 per cent of the win for social occasion casino events. Prizes are not included in the 25 per cent expense calculation.

As appropriate, permitted expenses include, but are not limited to:

- Advertising costs for the gaming event;
- Printing;
- Rent;
- Postage/mailing costs directly related to the gaming event;
- Wages;
- Contract fees for gaming services providers;
- Processing fee for gaming event licence;
- Bingo paper; and
- Volunteer out-of-pocket expenses. Volunteers may be reimbursed for out-of-pocket expenses related to the gaming event but cannot be paid remuneration for their time committed to the gaming event. The licensee must retain receipts for volunteer out-of-pocket expenses with its gaming records.

Class A ticket raffle licensees may pay a fee or commission to ticket sellers not exceeding 10 per cent of the price of each ticket sold. Any such amount is considered an expense.

6.2. What if expenses exceed 25 per cent of gross revenue?

An application will be returned to an applicant if planned expenses exceed 25 per cent of potential gross revenue.

Applications from licensees that exceeded 25 per cent of actual gross revenue under a previous licence will not be approved until the organization submits a written explanation of why the 25 per cent maximum was not met, accompanied by a plan for how the 25 per cent requirement will be met in future. A second failure to meet the 25 per cent maximum will result in refusal of future gaming event licences for at least 12 months.

7. NET GAMING PROCEEDS

7.1. How can net gaming proceeds from a gaming event be used?

Generally, net gaming proceeds must be used for eligible disbursements related to the direct delivery of programs and services within British Columbia.

Eligible disbursements include, but are not limited to:

- Operational costs, including, but not limited to, items such as wages, utilities, facility rental, supplies, etc.;
- Rental or purchase of equipment essential for the delivery of programs and services;
- Travel essential to the direct delivery of an eligible organization's programs. Out-of-province travel must be pre-approved by the Branch and will be approved only in exceptional circumstances, such as:
  - representing the province as a result of merit achieved through organized competition
  - regional amateur competition in a recognized league that involves cross border travel, or
  - medical treatment that is unavailable in the province;
- Membership fees in any BC organization that represents the licensee's interests;
- Capital acquisitions required for the delivery of an eligible organization's program and services, such as computers, furniture, or vehicles;
- Capital projects include construction of new facilities, renovation or maintenance of existing facilities, and property development.
  - Projects valued at $20,000 or more are Major Capital Projects and require pre-approval by the Branch. For approval, applicants must submit a **Request for Major Capital Project Approval** form.
  - Projects with a value of less than $20,000 do not require approval;
- Scholarships (for post-secondary education on the basis of academic merit) and bursaries (for post-secondary education on the basis of financial need) are eligible where the scholarship/bursary program is offered by an eligible organization whose Board determines the selection criteria and procedure, and the group from which the scholarship/bursary recipient is selected is not primarily comprised of the organization's members or their families; and
- Medical research grants where a grant agreement is in place and as part of the gaming records it can be demonstrated the gaming proceeds were only used for medical research within BC.

7.2. How can Parent Advisory Councils or parent groups at eligible independent schools (PACs) use net gaming proceeds?

For PACs, gaming proceeds must be used for disbursements within BC that directly benefit students by enhancing their extracurricular opportunities.

For PACs, eligible disbursements include, but are not limited to:

- Student publications: newsletters, yearbooks;
- Student competitions: writing, debating, chess, music;
- Student societies: drama club, student society;
- Student ceremonies: graduation, dry grad;
- Student conferences or educational field trips within BC;
- Uniforms and equipment for extracurricular activities;
- Sports equipment;
- Awards and trophies;
- Scholarships and bursaries;
- Student transportation and travel within BC;
- Student transportation and travel outside of BC, where the student group:
  - Is representing its school as a result of merit achieved through organized competition
  - Is competing in a sport that involves cross border travel
  - Has been selected because of its level of creative achievement or success, or
  - Is entered in a recognized competition in which there is a formal evaluation or adjudication process;
- Capital acquisitions directly benefitting students, such as playground equipment and student computers; and
- Capital projects directly benefitting students (not including school maintenance or construction).

All gaming proceeds must remain under the control and management of the PAC, whose membership is comprised of parents or guardians of students attending the school, that receives them. Gaming proceeds cannot be used for, or transferred to, curricular purposes or to schools or school districts or any of their activities or programs.

7.3. Can net gaming proceeds be used for disaster or emergency relief outside of British Columbia?

Yes, in some instances, the General Manager may approve an organization's use of net gaming proceeds to assist with relief efforts for disasters and emergencies that have occurred outside of British Columbia.

To be eligible to use net gaming proceeds for this purpose, an organization must:

- Meet eligibility requirements outlined in section 8.2;
- Have the provision of international disaster or emergency relief as one of its purposes;
- Be actively engaged in international relief efforts; and
- Maintain a clearly identifiable fund to which monies are contributed to assist with a specific disaster or emergency.

For each disaster or emergency that the eligible organization wishes to use net proceeds, the organization must

- Receive written approval from the General Manager; and
- Maintain a gaming account into which net gaming proceeds or donations of net gaming proceeds are deposited. A gaming account cheque may then be written to the organization's fund for eventual disbursement towards the disaster or emergency relief effort.

Note: Service organizations (section 8.8) and community fundraising groups (section 8.9) may donate net gaming proceeds generated through their licensed gaming events to an organization meeting the above noted requirements.

7.4. Is there anything for which net gaming proceeds cannot be used?

Net gaming proceeds cannot be disbursed outside of the province without prior written approval from the Branch.

Gaming proceeds cannot be used for:

- Costs not related to the direct delivery of an eligible organization's program and services;
- Travel that is social, recreational or invitational in nature or travel for Annual General Meetings, Board meetings, retreats, or conferences;
- Out-of-province or out-of-country aid, except as permitted in section 7.3;
- Past debt, loan or interest payments;
- Sustaining or endowment funds;
- Professional development of staff;
- Subsidizing the procurement of a contract or for subsidizing services for which the organization is contracted and/or funded;
- Subsidized housing programs; and
- Vocational training programs.

7.5. How soon must gaming proceeds be disbursed?

Gaming proceeds must be disbursed within 12 months of their receipt. If your organization cannot disburse its funds within the required timeline, it must request approval from the Branch, in writing, to retain the funds for a longer period.

Licensees unable to disburse their gaming proceeds within the required timelines may make a one time annual donation to an eligible organization in BC.

8. Organization Eligibility for a Gaming Event Licence

8.1. What types of organizations are eligible for a gaming event licence?

The types of organizations that may be eligible for a gaming event licence are:

- Charitable or religious organizations; and
- Service organizations (refer to section 8.8) and community fundraising groups, such as hobby or employee groups (refer to section 8.9).

Any organization that intends to use the net gaming proceeds for their own purposes must meet all eligibility criteria outlined in section 8.2.

For administrative purposes, licensees are categorized in one of the following sectors based on the types of programs they primarily deliver:

Arts, Culture and Sport

Programs that enhance performing arts, media arts, or visual arts, literature, heritage or culture in the community, and sports.

Environment

Programs that enhance British Columbia's environment or protect the welfare of animals and wildlife.

Human & Social Services

Programs that significantly contribute to the quality of life in a community, including assisting the disadvantaged or distressed, promoting health or enhancing opportunities for youth.

Public Safety

Programs that enhance and support public safety initiatives, disaster relief and emergency preparedness within British Columbia.

Parent Advisory Councils (PACs)

Parent Advisory Councils at public schools and parent groups with independent schools (Type 1 or 2) on behalf and for the benefit of students at that school.

Service organizations (see section 8.8)

Community Fundraising Groups (see section 8.9)

8.2. What makes an organization eligible for a gaming event licence?

An organization may be eligible if it:

- Is operated on a not-for-profit basis and primarily for charitable or religious purposes;
- Delivers programs or provides services providing direct community benefit;
- Can demonstrate that it has provided programs or services for a minimum of 12 months prior to application;
- Has a voluntary and broadly based membership involved in the management and control of the organization and its programs. Generally, the voting membership of the organization must be more than double the number of Board members;
- Delivers programs established and maintained by its volunteers;
- Has board members that are democratically chosen by, and from within, its volunteer base;
- Has board members that do not receive remuneration or other financial benefit for their services as an executive member; and
- Meets the Province's standards for financial accountability.

Service organizations (section 8.8) and community fundraising groups, such as hobby or employee groups (section 8.9), may also be eligible for a gaming event licence subject to specific conditions.

8.3. What if an organization has a restricted membership or does not have a board democratically selected from within its volunteer base?

Generally, an organization must meet these requirements.

If your organization does not meet either requirement, and can adequately demonstrate that a restricted membership or an appointed board is essential for it to effectively deliver its programs or provide its services, a gaming event licence might be issued at the discretion of the General Manager.

8.4. Does an organization have to be federally or provincially incorporated?

No. However, an organization that is provincially incorporated or registered as an extraprovincial society must be in good standing with the BC Registrar of Companies.

8.5. Can each level of an organization with provincial, regional and community associations get a gaming event licence?

Each level of an organization structured at the provincial, regional and community level may be eligible if:

- All eligibility criteria is met;
- It is a distinctly separate organization, defined by board membership, voting membership and organizational structure; and
- The net gaming proceeds will be used by the licensee for direct delivery of its own programs and services.

8.6. If an organization has a gaming event licence, can it also receive a gaming grant?

Yes, within certain limitations.

An organization will not be approved for a gaming grant if it received more than $250,000 in the past 12 months through its own licensed gaming activities.

8.7. What types of organizations are ineligible for a gaming event licence?

An organization is ineligible if it:

- Is for-profit;
- Is a not-for-profit business or an ancillary group sustaining a for-profit business;
- Is a political party, political action group or lobby group;
- Is or is an agency of federal, provincial, regional, municipal, or other local government;
- Is a hospital, medical or health care facility;
- Is an educational institution or school;
- Is a penal institution or correction centre;
- Is a public or municipal library or provincial museum;
- Has objectives, programs, or expenditures that do not conform with all laws, regulations and the general public policies of the Province of British Columbia;
- Has programs that promote racial or ethnic superiority, religious intolerance, persecution or social change through unlawful action; or
- Has political, partisan or commercial activities as one of its primary purposes.

Organizations that provide services exclusively to their own membership may also be ineligible.

8.8. Can a service organization get a gaming event licence?

Yes. Service organizations may apply for a gaming event licence to generate funds for donation to those community organizations that meet all eligibility criteria, outlined in section 8.2, for a gaming licence.

One-time donations are also permitted to an individual or family within the service organization's community where the donation will provide emergency assistance or relieve an exceptional condition or circumstance.

Service organizations:

- Are responsible for monitoring how gaming proceeds are disbursed by the donation recipient and required to report to the Branch any instance where funds were used inappropriately;
- Must ensure a Major Capital Project is approved by the Branch before gaming proceeds are donated towards the project. See section 7.1 for more information.
- May donate to an organization with which they are associated, as long as the recipient organization meets all eligibility criteria outlined in section 8.2, including a separate and democratically chosen board;

- May use gaming proceeds for their own programs where the Branch has provided written approval for the program since August 19, 2002, when the Gaming Control Act was proclaimed.
- May retain up to 10 per cent of the net proceeds from their licensed gaming activities. Where the net licensed gaming proceeds are 25 per cent or more of gross revenue, the service organization may retain 15 per cent of the net proceeds; and
- Cannot receive gaming proceeds from, or donate gaming proceeds to, another service organization.

8.9. Can a community fundraising group, such as a hobby or employee group, get a gaming event licence?

Generally, all eligibility criteria outlined in section 8.2 must be met before a Class A or Class B gaming event licence can be issued. For organizations not meeting all eligibility criteria, such as a hobby or employee group, a gaming event licence for a **ticket raffle** may be issued subject to certain conditions and agreement that all net gaming proceeds will be donated to an eligible organization to assist with delivery of its programs or services.

When submitting its application, a community fundraising group must submit a letter from the eligible organization confirming awareness that the raffle is being conducted on their behalf and agreeing to accept net proceeds, and use those proceeds only for eligible purposes.

A business or a for-profit organization is ineligible for a gaming event licence.

8.10. Can a foundation get a gaming event licence?

Yes, a foundation may be eligible for a gaming event licence if it:

- Meets all other eligibility criteria;
- Is incorporated or registered under the BC Society Act or established under statute; and
- Provides identifiable programs and services directly to the community, i.e., does not only administer an endowment fund.

8.11. Can an organization that hosts an annual event get a gaming event licence?

An organization that hosts an annual event such as a festival or sport event may be eligible if:

- It meets all eligibility requirements;
- The annual event provides direct benefit to the community; and
- There is community benefit through free or subsidized performances.

9. APPLYING FOR A GAMING EVENT LICENCE

9.1. How does an organization apply for a gaming event licence?

Application forms can be downloaded from http://www.pssg.gov.bc.ca/gaming/ and are available at any Branch office or government agent office.

In some instances, additional information may be required before a licence can be issued. If approved, the licence will be mailed to the licensee.

Class A gaming event licence

For a gaming event or series of gaming events that could generate more than $20,000 in gross revenue, applicants must submit:

- A completed **Application for a Class A Gaming Event Licence**;
- All required documentation; and
- A non-refundable $50 processing fee.

Completed applications for a Class A gaming event licence must be received by the Branch's Victoria office at least 10 weeks before the licence is required.

Class B gaming event licence

For a gaming event or series of gaming events will likely generate $20,000 or less in gross revenue, applicants must submit:

- A completed **Application for a Class B Gaming Event Licence**;
- All required documentation; and
- A non-refundable $25 processing fee.

A Class B licence application may take up to three days to process once the $25 processing fee and a complete application are received by the Branch's Victoria office. If additional information is required in order to assess the application, the processing time may take longer.

Class B licence applicants may:

- Apply online at http://www.pssg.gov.bc.ca/gaming/classblicence/index.htm;
- Mail a completed application form and processing fee to the Branch's Victoria office;
- Visit any Branch office or government agent office to have their application submitted.

Request for Capital Project Approval

If an organization wishes to disburse gaming proceeds towards a capital project valued at $20,000 or more, a **Request for Capital Project Approval** form must also be submitted with the application form.

9.2. Can organizations have more than one gaming event licence?

Yes. There is no limit to the number of gaming event licences an organization can have.

9.3. Can two or more organizations share a gaming event licence?

Partnerships between organizations may be considered, if each partner is an eligible community organization that will use their net gaming proceeds for eligible purposes. Only one of the partner organizations will be issued the gaming event licence, and that organization retains full responsibility for the conduct and management of the gaming event.

10. REGISTRATION REQUIREMENTS

10.1. Are there any registration requirements for gaming event licensees?

Yes. A licensee that could generate more than $250,000 in gross revenue through its gaming event licence must ensure at least two persons from their organizations are registered with the Branch. The Branch may also determine, upon review of an application, that other key individuals involved in the conduct and management of the gaming event need to be registered.

Licensees that retain individuals or companies to provide gaming event services must ensure the service providers are registered with the Branch.

For some gaming events (e.g., independent bingo), licensees are required to ensure specified gaming goods and equipment (e.g., bingo paper) are approved by the Branch. These requirements are specified in the applicable Standard Procedures.

More information is available online at http://www.pssg.gov.bc.ca/gaming/commercial/register.htm.

10.2. Can a licensee contract with a company to assist with the conduct or marketing of its licensed gaming event?

Yes. Licensees may contract with companies that are registered with the Branch as gaming services providers for the particular type of gaming event.

Contracts with gaming services providers cannot exceed 12 months in duration, with an option to renew for an additional 12 months at the discretion of the licensee. The contract must state the total contract value and specify the fees for services, supported by a detailed business plan.

The applicant for the gaming event licence must attach a copy of the service agreement, including the gaming services provider's name and address.

11. ADVERTISING AND MARKETING REQUIREMENTS

To ensure gambling is represented in a responsible manner in all advertising and marketing, all licensees must comply with the Advertising and Marketing Standards for the BC Gambling Industry and as specified in the Standard Procedures applicable to the gaming event.

Licensees must meet all advertising and marketing standards, which include ensuring promotional materials:

- Contain a responsible gambling message, where required;
- Do not use minors to promote gambling;
- Are not directed primarily to minors; and
- Factually report the chances or odds of winning, when provided.

All materials must also include the gaming event licence number, as outlined in the Standard Procedures applicable to the gaming event (e.g., BC Gaming Event Licence #123456).

Your organization cannot advertise its gaming event until it has received a gaming licence for that event.

More information about the Advertising and Marketing Standards for the BC Gambling Industry is available on the Branch's website.

12. FINANCIAL ACCOUNTABILITY

All licensees must:

a) Retain all records for the gaming event, including receipt and disbursement of all gross revenues, for a period of five years.
b) Maintain records that clearly show the amount and purpose of each financial transaction.

In addition to a) and b), licensees generating $20,000 or less in gross revenue annually through licensed gaming events and that do not have a gaming account must:

- Deposit to and distribute all gaming proceeds from a bank account bearing the organization's full name (a separate gaming account is not required); and
- Ensure any cheques used to disburse the gaming proceeds are signed by at least one officer of the organization with signing authority.

Licensees that could generate more than $20,000 in gross revenue annually through licensed gaming events, or that have an established gaming account, must comply with more rigorous accountability requirements. In addition to a) and b), these licensees must:

- Maintain a separate gaming account, in the organization's full name, for the exclusive purpose of receiving and disbursing gaming proceeds, including any funds received through licensed gaming, direct access grants, bingo affiliation grants or gaming fund donations;
- Obtain cheques for the gaming account with the organization's full name and the words "Gaming Account" imprinted;
- Ensure cheques issued against the gaming account are signed by at least two of the organization's signing officials, at least one of which must be an officer of the organization;
- Submit a **Gaming Event Revenue Report** within 60 days after the expiry of each gaming event licence; and
- Submit a **Gaming Account Summary Report** within 90 days of the end of the organization's fiscal year.

Licensees must satisfy all conditions, including reporting requirements, for gaming funds previously received before another application will be considered.

Licensees generating more than $250,000 in gross revenue from a single gaming event licence will be audited by the Branch. Other licensees are subject to periodic audits by the Branch.

13. RECONSIDERATION OF A DECISION REGARDING AN APPLICATION

Decisions regarding eligibility for a gaming event licence may be subject to reconsideration by the Director of Licensing and Grants Division.

To have its application reconsidered, an organization must submit a written request to the Director, Licensing and Grants Division, within 30 days of notification of the decision, stating reasons for the reconsideration and providing clarifying information that may support its request. New information may be considered at the discretion of the Director.

The Director will conduct a thorough review to ensure the procedures, rules and conditions were applied fairly and properly, and will either vary or uphold the original decision. The written decision of the Director will be sent to the affected organization or individual within 30 days of receiving a written request for reconsideration.

A reconsideration decision may be further reviewed. This involves an Administrative Review Hearing, where an independent Review Board (adjudicated by one or more persons) hears evidence and provides a written recommendation to the General Manager, Gaming Policy and Enforcement Branch. The General Manager will uphold or overturn the original decision.

The recommendation of the Review Board and the final decision of the General Manager will be mailed or delivered to all parties to the Review Hearing within 60 days.

For more information about the Internal Review process, please refer to http://www.pssg.gov.bc.ca/gaming/grants/appeal.htm.

14. CONTACT INFORMATION

Head Office

Mailing address:

Gaming Policy and Enforcement Branch
Ministry of Public Safety and Solicitor General
PO Box 9310 Stn Prov Govt
Victoria BC V8W 9N1

Location (for courier deliveries or visiting in person):

3rd Floor, 910 Government Street
Victoria BC V8W 1X3

Telephone: 250 387-5311
Facsimile: 250 356-8149

E-mail: Gaming.Branch@gov.bc.ca
Web: http://www.pssg.gov.bc.ca/gaming/

Lower Mainland Regional Office

Gaming Policy and Enforcement Branch
Ministry of Public Safety and Solicitor General
408 – 4603 Kingsway Avenue
Burnaby BC V5H 4M4

Telephone: 604 660-0245
Facsimile: 604 660-0267

Interior Regional Office

Gaming Policy and Enforcement Branch
Ministry of Public Safety and Solicitor General
200 – 1517 Water Street
Kelowna BC V1Y 1J8

Telephone: 250 861-7363
Facsimile: 250 861-7362

Northern Regional Office

Gaming Policy and Enforcement Branch
Ministry of Public Safety and Solicitor General
211, 1577 – 7th Avenue
Prince George BC V2L 3P5

Telephone: 250 612-4122
Facsimile: 250 612-4130

Other Key Contacts

Audit & Compliance Division (Lower Mainland) 604 660-0245
Investigation Division (Lower Mainland) 604 660-0245
Licensing and Grants Division (Victoria) 250 387-5311
Registration Division (Victoria) 250 356-0663
Complaints Coordinator 604 660-5010

Ministry of Public Safety
and Solicitor General
Gaming Policy and Enforcement Branch

ADVERTISING AND MARKETING STANDARDS FOR THE B.C. GAMBLING INDUSTRY

Context

The Province of BC wants to ensure gambling activities are carried out in a socially responsible manner.

The Gaming Policy and Enforcement Branch regulates gambling in British Columbia.

As an agent of government, the BC Lottery Corporation conducts and manages most commercial gaming in the province, including casinos, commercial bingo halls, and lotteries. The Corporation contracts with service providers to operate those gaming facilities.

Private companies are licensed, as service providers, to operate horse race tracks and teletheatre outlets.

Community organizations may be licensed to conduct gaming events, such as ticket raffles, independent bingos, social occasion casinos, and wheels of fortune.

Objectives

- To ensure gambling is represented in a responsible manner in all advertising and marketing.
- To pursue opportunities to partner with the BC Lottery Corporation and service providers to develop and deliver specific, targetted media campaigns that enhance public awareness of problem gambling issues and services.

Authority and Application

Section 27(2)(d) of the Gaming Control Act authorizes the general manager to establish public interest standards for the gambling industry. The following advertising and marketing standards apply to products and/or gaming facilities promoted by BC Lottery Corporation, BC's gaming service providers, and gaming event licensees. These standards do not apply to corporate advertising which does not include references to, or promote, products and/or gaming facilities.

Advertising and Marketing Standards

Responsible Gambling

- Advertising and marketing materials, whenever reasonable and appropriate, must contain a responsible gambling message.
- The Province's responsible/problem gambling materials, and information about how a problem gambler may obtain help, must be readily visible in high traffic areas in gaming facilities, at locations where gaming products are being sold, or (when requested) at licensed gaming events.

- Advertising and marketing materials must not:
  - Encourage people to play beyond their means.
  - Imply the certainty of financial reward or alleviation of personal and financial difficulties.
  - Present gambling as an alternative to employment or as a financial investment.
  - Encourage play as a means of recovering past gambling or other financial losses.
  - Imply that chances of winning increase the longer one plays.
  - Suggest skill can influence the outcome.
  - Knowingly be placed in, or adjacent to, other media that depict inappropriate use of the product(s).
  - Depict a pre-occupation with gambling.

Odds of Winning

- Information on the odds of winning must be clearly stated and made available to the public upon request, through relatively accessible means.
- When provided, information on the odds of winning must factually report the chances of winning in various gambling activities.
- Advertising and marketing materials must:
  - Not present winning as the most probable outcome, nor misrepresent a person's chance of winning a prize.
  - Describe prize amounts accurately, indicating, where necessary, if prizes are in the form of annuities.

Protecting Minors

Minors are defined as youth and/or children under the legal purchase age of 19.

- Advertising and marketing materials must not:
  - Use individuals who are, or appear to be, minors to promote gambling.
  - Appear in media directed primarily to minors, or where most of the audience is reasonably expected to be minors.
  - Appear on billboards or other outdoor displays that are directly adjacent to schools or other primarily youth-oriented locations.
  - Appear at venues where the primary audience is reasonably expected to be minors.
  - Be based on themes, or use language, intended to appeal primarily to minors.
  - Promote gambling during television or radio programming where the primary audience is expected to be minors.
  - Contain cartoon figures, symbols, role models, and/or celebrity/entertainer endorsers whose primary appeal is to minors.

Issued by:
Derek Sturko, General Manager
May 2003